



STATE OF ARIZONA

OFFICE OF THE GOVERNOR

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JANET NAPOLITANO  
GOVERNOR

May 8, 2007

The Honorable Jim Weiers  
Speaker of the House  
Arizona House of Representatives  
1700 West Washington  
Phoenix, Arizona 85007

Re: HB 2434: residential property tax; homesite area

Dear Speaker Weiers:

Today I vetoed House Bill 2434, related to the size of a homesite area for residential property tax purposes.

This bill was originally drafted in a narrow manner that was less objectionable. It would have increased to ten the number of acres of a homesite eligible for class three property tax categorization. Unfortunately, the bill was amended late in the process to allow an uncapped number of acres to also qualify as a class three homesite, so long as the owner submits an "initial" affidavit stating that the parcel will not be subdivided or used for other purposes. This loophole would have allowed any developer or landowner to convert their vacant lands from class two (subject to taxation at 16% of the property's full cash value) to class three (subject to taxation at 10% of the property's full cash value and eligible for a homeowner rebate) simply by placing a temporary residence (such as a mobile home) somewhere on the property and filing the affidavit.

More disturbingly, the amended bill would impose no consequence whatsoever on an owner who later renounces his initial affidavit and proceeds to subdivide the property or develop it for purposes consistent with other property tax categories. Such an owner could simply renounce the "initial" affidavit, proceed accordingly, and pocket the tax savings achieved while the affidavit was in effect. Such a result is not in the best interest of our counties or our state.

For these and other reasons, I have vetoed House Bill 2434.

Yours very truly,

  
Janet Napolitano  
Governor

JN:TAN/jm

cc: The Honorable Tim Bee  
The Honorable Nancy Barto

Passed the House February 19, 2007

by the following vote: 40 Ayes,

15 Nays, 5 Not Voting

[Signature]  
Speaker of the House

Norman L. Syore  
Chief Clerk of the House

Passed the Senate April 10, 2007

by the following vote: 22 Ayes,

6 Nays, 2 Not Voting

Timothy S. Bee  
President of the Senate

Charmine Ballington  
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF GOVERNOR

This Bill received by the Governor this

\_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

\_\_\_\_\_  
Secretary to the Governor

Approved this \_\_\_\_\_ day of

\_\_\_\_\_

at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

\_\_\_\_\_  
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF SECRETARY OF STATE

This Bill received by the Secretary of State

this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

\_\_\_\_\_  
Secretary of State

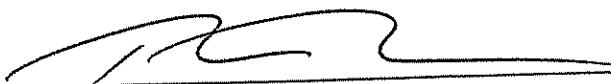
H.B. 2434

HOUSE FINAL PASSAGE  
as per Joint Conference

Passed the House May 1, 20 07

by the following vote: 53 Ayes,

2 Nays, 5 Not Voting



Speaker of the House  
Pro Tempore

Freeman L. Moore  
Chief Clerk of the House

SENATE FINAL PASSAGE  
as per Joint Conference

Passed the Senate May 3, 20 07

by the following vote: 24 Ayes,

5 Nays, 1 Not Voting

Timothy J. Bee  
President of the Senate

Charmian B. Blount  
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF GOVERNOR

This Bill received by the Governor this

3rd day of May, 20 07

at 12:14 o'clock p. M.

Wendy Updegraff  
Secretary to the Governor

Approved this \_\_\_\_\_ day of

at **VETO** o'clock \_\_\_\_\_ M.

\_\_\_\_\_  
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF SECRETARY OF STATE

This Bill received by the Secretary of State

this 9 day of May, 20 07

at 8:35 o'clock A. M.

Janice K. Brewer  
Secretary of State